(b) whether Government have recently approved re-structuring plan for Central Board of Excise and Customs in pursuance of Government's decision to downsize Ministries and Departments;

(c) if so, the details thereof indicating category-wise reduction/ increase in the Board;

(d) the total amount of savings likely to accrue by re-structuring the Board;

(e) whether in addition to adminisitrative savings, re-structuring is expected to result in cost-efficiency and mobilization of more resources; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) The category-wise sanctioned strength of Central Board of Excise and Customs excluding the technical cadres of Marine, Telecommunication, Chemical Service etc. and Group "B', "C' & "D' cadres of Narcotics, as on 30th June, 2001, is as under: Group "A' 1759 Group "B' 8786 Group "C' 41479 Group "D' 16737

(b) Yes, Sir.

(c) The category-wise reduction/Increase in staff strength is as under:—

| | | |
|---|---|---|
| Group "A' | (+) | 0700 |
| Group "B' | (+) | 5486 |
| Group "C' | (-) | 7785 |
| Group "D' | (-) | 2001 |

(d) to (f) Apart from administrative savings, it is expected to result in improved efficiency and additional mobilization of resources by closer attention to cases pending with judicial and quasi-judicial authorities, speedy collection of arrears of revenue and plugging the leakages of revenue etc.

**Research and Development fund for Pharma Industries**

1768. SHRI KHAN GHUFRAN ZAHIDI: Will the Minister of FINANCE be pleased to state:

(a) whether he had announced a fund of Rs. 150 crores for Research and Development Fund per annum basis to Pharma Industries; and



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(b) if so, what is the status of the fund disbursement and who are the members of the Committee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) and (b) On the basis of the recommendations of the Pharmaceutical Research & Development Committee (PRDC) constituted by the Government under the Chairmanship of Dr. R.A. Mashelkar, director General, CSIR establishment of Pharmaceutical Research & Development Support Fund (PRDSF) to promote research in the Pharmaceutical Industry in the country was announced. Operationalisation of the fund is under consideration of the Department of Chemicals and Petrochemicals.

**Determination of Rate of inflation**

1769. SHRI RAJU PARMAR:
SHRI BHAGAT RAM MANHAR:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that inflation rate stood at 5.52% for week ended on 2nd June, 2001 even as prices for primary articles rose by 0.4% per cent;

(b) if so, what is the method used to determine rate of inflation;

(c) what is the Wholesale Price Index (WPI) on 2nd June, 2001 and whether it is higher than that in the last year on the same date;

(d) whether Government propose to modify the method to determine rate of inflation in future; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes Sir. The annual point to point inflation rate based on the Wholesale Price Index (WPI) stood at 5.52% for the week ended June 2, 2001. The index of primary articles increased by 0.4% during this week thus pushing up the inflation rate in the primary articles group to 2.8% on June 2, 2001.

(b) The percentage variation in WPI at a particular point of time over the corresponding period of the previous year indicates the annual inflation rate at that point of time. The WPI is calculated on a weekly basis on the principle of a weighted arithmetic average using Laspeyer's formula, which has a fixed